

**HAMPTON BOARD OF SELECTMEN
SELECTMEN'S MEETING ROOM
DECEMBER 11, 2006 – 7:00 PM**

PRESENT: Virginia Bridle-Russell, Chairman
Ben Moore, Vice-Chairman
Rick Griffin
James Workman
Bill Lally
Mark Gearreald, Interim Town Manager
Maureen Duffy, Administrative Assistant

REGRETS:

Public Hearing:

To accept Rockingham County Incentive Funds to support the Hampton Recreation & Parks spring and summer programs.

Each year, New Hampshire Health and Human Services provides spring and summer day camp funding for children from needy families. As a result of this grant, 32 children had the opportunity to go to camp.

Mr. Moore MOTIONED to accept the \$12,000 Rockingham County Incentive Funds to support the Hampton Recreation & Parks spring and summer camp programs. **Mr. Lally SECONDED.**

VOTE: UNANIMOUS FOR

Chairman Virginia Bridle-Russell called the meeting to order at 7:00PM and introduced all those in attendance.

I. ANNOUNCEMENTS AND COMMUNITY CALENDAR

Announcements were made later in the meeting.

II. APPOINTMENTS

1. REPRESENTATIVE NANCY STILES AND SCHOOL BOARD CHAIRMAN SANDY NICKERSON – EDUCATIONAL FUNDING BILLS

New Hampshire Representative Nancy Stiles and former Representative Mike Aslin from Danville came before the Board to present their education funding proposal. Representative Jane Kelley was also seated at the presenter's table. School Board Chairman, Sandy Nickerson introduced her Board members in attendance for the presentation.

Representative Stiles explained the Supreme Court ruling that requires the State Legislature to define, cost and propose a plan to fund an adequate education for New Hampshire students by June 30th, 2007. The proposed, "Educational Funding Bill" was created by a bipartisan committee with equal representation of republicans and democrats. The Committee feels that the proposed Bill is a solid and fair place to start the discussion on adequate education.

Representative Stiles requested that the audience keep the following three points in mind during the presentation:

1. proposed Constitutional amendment
2. definition of an adequate education
3. possible revenue and funding for sources

A brief background was given on the Committee's process in developing the Bill. Representative Stiles noted that local school tax reduction by increasing State funding dominated the majority of the Committee's discussions. The 1997, Claremont II decision determined that it was the State's responsibility to ensure adequate education and adequate level of resources for all New Hampshire students. It also indicated if property taxes were used to fund education it had to be done in an equal and uniform rate throughout New Hampshire.

The beginning of the adequacy grants in 1999 started at a rate of \$6.60 (when Hampton became a donor town). Representative Stiles stated that the proposal does not include an income tax and does not bring back donor towns. When Hampton was a donor town over a five year period, over \$5 million in property taxes went to the State to fund other communities' public education. Since then the Legislature has reduced state education grants for lack of identifying new funding sources.

Currently Hampton property owners are paying \$10.23/\$1,000 assessed value for the school system. When state aid is increased the local school tax burden decreases. The key is to identify new resources that are acceptable to allow that to happen. Should state aid decrease as time goes on it would directly impact the local tax portion. In 2000, state grants were at 27% and have currently dropped to 22% creating an increase in the local tax bill.

In September, 2006 the Londonderry Coalition Supreme Court case upheld the District Court ruling that the current funding law of education was unconstitutional. Legislature has until June 30, 2007 to define the specific components of a Constitutional adequate education. Representative Stiles is planning on introducing an amendment to the Constitution that includes the word "cherish" in Article 83.

The Committee would like New Hampshire citizens to decide if they would like to use their property taxes to fund education or the State to take on the responsibility with a willingness to look at other revenue sources.

Components of adequate education are difficult to determine as regional costs and differences must be considered. Representative Stiles is seeking input from the Board on how they would like to see this issue approached.

Former Danville Representative Mike Aslin, stated that there are two types of educational funding. One is target aid which is what the Legislature is currently doing. This is accomplished by defining a set amount of funds based on projection of money available from existing revenue sources and then divided up by school districts based on wealth and need of a community. The other type of education funding is called adequacy funding which is an approach that requires adequate or quality education to be defined. A cost must then be attached to the definition and funds distributed equally regardless of a community's wealth or need. The Legislature must

determine what the State wants to do. Mr. Aslin views Representative Stiles Constitutional amendment a tool for the Legislature to develop an adequacy plan.

The plan is based on quality education and does not spend more money but rather shifts the cost burden from local to state level. The adequacy aid approach that is being proposed falls under RSA 193-E:2 (passed in 1998) Criteria for Public Adequate Education. Based on RSA 193:E2 the Committee defined the State's obligation as regular course work including: teacher and supply costs, student guidance, vocational instruction, English proficiency and all special education costs. Regular course work is the minimum standards for schools that list courses required for graduation. The next step that the Committee took was to cost it (from FY05 and expenditure reports), at \$1.2 billion, \$400 million more than current State funding, resulting in local property taxes being reduced (by \$400 million). Items such as transportation and administration were not included in the cost analysis as these items are not included in RSA 193-E2. Cost control measures have been included in the Bill. The student/teacher ratio would be used to prevent the State paying more for teachers than necessary, to meet the New Hampshire minimum education standards.

Potential Revenue Sources ("Patchwork Quilt" Bill) to assist in funding education are as follows:

- Tax on Second Homes owned by nonresidents (redefine property classes)
- Luxury Tax (>\$10,000) exclude home; vehicles under \$30,000, etc.
- Luxury Entertainment Tax (>\$50 tickets);
- Tobacco Products Tax
- Increased Cigarette Tax
- Beer Tax based on price
- Estate Tax (>\$3,000,000) exclude farms if not sold in 5 years
- Lottery Winnings Tax; and/or
- Payroll Tax on large business (>\$10,000 payroll per week)

The decision that needs to be made by the Legislature is to stay with the current tax structure and have school property taxes go higher or change and consider State alternative revenue sources and have school property taxes go down.

It was suggested that anyone interested in voicing their opinion on the subject to contact their State Representatives and Senators to stress the need for local property tax relief. Anyone seeking additional information may view on www.representative-stiles.com.

SELECTMEN'S RESPONSE

In general the Board is in favor of the revenue suggestions and encouraged residents to contact their governing representatives. However, there was some concern regarding how the second home tax would impact Hampton and the effect of the payroll tax on large business.

PUBLIC RESPONSE

Chairman of the School Board Sandy Nickerson stated that she is concerned about the student teacher ratio. Representative Stiles clarified that local communities are free to choose their own teacher student ratio.

Ken Stiles member of the Hampton School Board noted that the State must make a decision in funding education by June 30, 2007 and there is a need to have a definition of adequate education, along with a plan to support it.

Jim Gaylord expressed his concern about the negative impact that the tax on second homes owned by nonresidents may have on a resort town such as Hampton. He also thanked Representative Stiles for seeking input from the School Board.

Representative Jane Kelley is opposed of the proposed changes and does not believe in amending the Constitution because of the unhealthy financial position the State of New Hampshire is in. She is also doubtful that revenue generating methods such as casinos or income tax will be supported by the Legislature.

Mike Puleo resident of Hampton asked about the luxury tax rate. Mr. Aslin stated that it has been proposed at a rate of 15%.

Robert O'Kane of North Hampton questioned the use of the word "adequacy" and wonders why there is little discussion about "what the purpose of schooling is". Mr. O'Kane also stated that perhaps there is too much in the curriculum of our schools and asking teachers to do things outside of their skill set. He also noted that families are relenting things to schools and no one seems to want to speculate about the purpose of schooling when the Legislature should be striving to make every child comprehensibly literate and intellectually aware.

III. MINUTES – DECEMBER 4, 2006

Minutes stand as read.

IV. OLD BUSINESS

1. INTERIM TOWN MANAGER'S REPORT

Deputy Fire Chief Chris Silver administered flu shots to Town employees last week. The shots are funded by the LGC and over 50 were given.

Public Works Director John Hangen met with School Superintendent Jim Gaylord this week to finalize details as to the further work to be done at the Winnacunnet Road / Park Avenue intersection.

The Budget Committee, while recommending additional personnel to be hired, has at the same time cut \$1.8 million dollars from the Selectmen's budget figure, which was based upon the Department Heads' evaluation of the basic needs to run their Departments. The voters will have the chance to amend the Budget Committee's figure at the Deliberative Session on Saturday, February 3, 2006.

Building Inspector Kevin Schultz had issued a building permit to Brian Hayes to remove intact, seven existing cabins at Bill's Motor Court at 426 Winnacunnet Road, in preparation for the construction of a new condominium development. Kevin has issued a stop work order on that removal, because instead of removing those old buildings intact, an individual came onto that property, and cut four of the cabins in half and moved them without any building permits onto his property at 426 High Street. Kevin is requiring Mr. Hayes to perform tests to determine if any asbestos is involved in the old cabins, where a pile of debris was created on site by the

individual cutting in half of the other cabins. This individual has since filed an application for a building permit to combine the eight cabin halves into one accessory building, but Kevin is requiring further information as to wetlands and structural details before that application can be acted upon.

On October 23, 2006, a routine administrative audit was preformed of Town property by the Inspection Division of the New Hampshire Department of Labor. With the exception of a few items that must be corrected by January 8, 2006, as identified in the report from the Division to Dyana Martin dated November 21, 2006, the audit went well. Mr. Gearreald thanked Dyana Martin and Kevin Schultz for their assistance with the conducting of the audit, and the Joint Loss Management Committee for its good report taking.

The deadline for petitioned warrant articles is January 9, 2007. It is against long standing Town policy for staff to assist in writing petition articles, where these articles are by definition citizen's articles and not Selectmen's articles. Formats for petitioned article may be obtained by looking at prior years' ballots for the Town Meeting.

1. To date the Town Manager's office has received three petitioned warrant articles.
 - a. "...Shall the Town of Hampton recommend to the Selectmen a policy whereby all new streets and roadways accepted by the Town be given the name of any military personnel, whose primary residence being Hampton, NH,"
 - b. "...vote to raise and appropriate the sum of Sixty five hundred dollars (\$6,500) for the purpose of defraying the cost of services provided to the Town of Hampton and its residents by Big Brothers Big Sisters of Greater Seacoast."
 - c. "...are you in favor of increasing the number of trustees of the Hampton Trust Funds from 3 to 5, as authorized by RSA 31:22?...."
2. The following Health and Human Services that received funding last year have submitted funding request letters for the same amount of money:
 - a. Seacoast Visiting Nurse Association
 - b. A Safe Place
 - c. Cross Roads
 - d. Sexual Assault Support Services
 - e. Seacoast Youth Services
 - f. Area HomeCare & Family Services, Inc.
 - g. AIDS Response Seacoast
 - h. SeaCare Health Services
 - i. Child & Family Services
 - j. Seacoast Hospice

A letter from the Town Manager has been sent "re-notifying" the above organizations as well as the following that have yet to submit request letters and/or petitioned articles:

- a. Rockingham County Community Action
- b. New Generations
- c. Lamprey Health Care
- d. Retired Senior Volunteer Program
- e. Rockingham Nutrition & Meals on Wheels
- f. Ritchie McFarland Children's Center

A legal notice has been posted by the Hampton Planning Board regarding a public hearing scheduled for December 20th to take comments on a number of proposed amendments to the Zoning Ordinance.

BOARD'S RESPONSE TO THE MANAGER'S REPORT

None

1. 2007 WARRANT – FURTHER DISCUSSIONS

The article regarding Rockingham County Community Action has been removed and the articles have been renumbered.

2. ANNUAL REPORT

Seeking guidance on the annual report, Maureen Duffy provided the Board with quotes from four different vendors and samples of the three different book styles (i.e. newspaper print, tape bound and perfect bound).

Mr. Lally MOTIONED to have Commonwealth Printing produce 1750, perfect bound, annual reports with a color cover and back page. **Mr. Griffin SECONDED.**

VOTE: UNANIMOUS FOR

OTHER OLD BUSINESS

Mr. Gearreald requested a non-meeting immediately after tonight's meeting.

The annual Selectmen's official photograph will be taken at 6PM next Monday at Memories Studio in Rye.

Mr. Moore MOTIONED to schedule the next Selectmen's meeting for December 28, 2006. **Mr. Workman SECONDED.**

VOTE: UNANIMOUS FOR

V. NEW BUSINESS

1. SCHEDULE PUBLIC HEARING TO ACCEPT FEMA FUNDING FOR PUBLIC WORKS

Mr. Griffin MOTIONED to schedule a public hearing to accept the FEMA funding on December 28 to cover the expenses incurred by the Public Work Department during the 2006 Mother's Day rainstorm. **Mr. Moore SECONDED.**

VOTE: UNANIMOUS FOR

2. REACTION TO BUDGET COMMITTEE FINAL REVIEW OF TOWN BUDGET

Chairman Bridle-Russell read a letter she received from the Chairman of the Budget Committee Mary-Louise Woolsey. The Committee cut out \$1.8 million dollars from the Selectmen's proposed budget yet recommended

hiring additional staff (i.e. 20 special police officers, four fighters). The Committee also expressed their concern about the number of photocopiers in the Town Hall.

Mr. Workman shares the Committee's concerns about the number of photocopiers in the Town Hall. Like the Budget Committee, Mr. Workman would also like to see a part-time employee for the Conservation Commission, 20 additional special police officers and four firefighters. He does have an issue with the process in which the Budget Committee came about creating their bottom-line budget. Mr. Workman said that the staff and Selectmen generated a barebones budget and requested input from the Budget Committee. He feels that there was no guidance in where the Selectmen should cut only to add additional staff costs. Mr. Workman commented on the fact that 53% of the budget is spent on the school system, yet the school portion of the budget is always supported by the Committee. He believes that there is a double standard by the Committee with the two budgets. Mr. Workman questioned the Budget Committee's thought process as it is difficult to understand why the Committee recommended adding a significant number of staff to handle the workload yet cut the budget by \$1.8 million. He also commented on the fact that when there are not enough police on patrol or emergency crews to make Hampton a safe place it is the Selectmen who receive the complaint calls from residents, not the Budget Committee.

Mr. Moore said that he informally discussed with the Budget Committee to provide a line item budget with their proposal. He also mentioned that he is against the proposed capital reserve fund to build funds up to pay for the Assessing re-measure and re-listing efforts, as he does not believe that it makes financial sense.

Mr. Lally noted that with the \$1.8 million cut out of the budget it is blatant there is not going to be 20 additional special police officers, firefighters or extra help in other departments that desperately need help with the workload. He was hoping that the Budget Committee would present more guidance on a line-by-line basis. Mr. Lally completely understands that no one wants their taxes to increase but they must understand that services will have to be cut. It is unfortunate but it is the reality that services such as police, fire and public schools cost money and it appears that residents do not want these services funded by taxes.

Chairman Bridle-Russell noted that all the present services offered cannot be offered. She encouraged residents to vote in March because there are very important decisions being made that ultimately affect taxpayers' home budgets. Mrs. Bridle-Russell also encouraged homeowners who are finding it difficult to pay their taxes to contact the Collector of Taxes to see what kind of arrangement can be made.

3. SCHEDULE LOCAL 2664 GRIEVANCE HEARING

Mr. Lally MOTIONED to schedule a grievance hearing (two grievances from two different unions) next Monday, December 18 at 6:30PM at the Town Hall. **Mr. Griffin SECONDED.**

VOTE: UNANIMOUS FOR

OTHER NEW BUSINESS

Announcements and Community Calendar

Mr. Griffin discussed a single car collision that occurred at the intersection of High Street and Moulton Road. The vehicle struck a utility pole and the driver, Mary Connolly was pronounced dead at the Exeter Hospital. Mr. Griffin noted that Mary will be greatly missed by friends and family.

Mr. Workman announced that the Recreation Department will be providing a tour of the festive holiday lights around Hampton on Monday, December 18.

Mrs. Bridle-Russell and Mr. Moore reminded residents that the Heritage Commission is accepting donations for the reconstruction of the barn and has postcards for sale.

Mr. Workman announced that Saturday, December 16 at 3PM the Congregational Church will be having a Holiday Choir Concert.

Turnaround Easement

The Planning Board and the Conservation Commission have issued their recommendations regarding the Turnaround Easement for the removal of snow located at the northeasterly ends of Mill Pond Road and Glen Road.

Mr. Gearreald reminded the Board that RSA 41:14-a, has very explicit specifications regarding public hearings and vote. Two public hearings must be held at least 10 but not more than 14 days apart, and the Board of Selectmen's vote shall take place no sooner than 7 days nor later than 14 days after the second public hearing.

Mr. Moore MOTIONED to schedule the first of two public hearings for the turnaround easement on December 28. **Mr. Griffin SECONDED.**

VOTE: UNANIMOUS FOR

VI. CONSENT AGENDA

1. ROCKINGHAM COUNTY NURSING HOME APPLICATIONS

Mr. Moore MOTIONED to approve the two Rockingham County Nursing Home applications as presented. **Mr. Griffin SECONDED.**

VOTE: UNANIMOUS FOR

VII. - PUBLIC COMMENTS

None

VIII. - CLOSING COMMENTS:

None

VI. ADJOURNMENT

Mr. Workman MOTIONED to adjourn the meeting at 9:10PM. **Mr. Moore SECONDED.**

VOTE: UNANIMOUS FOR

Chairman